



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 16, 1999

H.R. 834

A bill to extend the authorization for the National Historic Preservation Fund, and for other purposes

As ordered reported by the House Committee on Resources on June 30, 1999

SUMMARY

H.R. 834 would extend through fiscal year 2005 annual deposits of \$150 million to the Historic Preservation Fund (HPF). Authority for such deposits, which consist of receipts earned from oil and gas development on the Outer Continental Shelf, expired at the end of fiscal year 1997. The National Park Service uses amounts appropriated from the HPF for grants to the National Trust for Historic Preservation, to state, local, and tribal governments, and to nonprofit and other organizations. The bill also would extend through 2005 the authorization of \$4 million a year for the Advisory Council on Historic Preservation. This sum is currently authorized to be appropriated (from the general fund of the U.S. Treasury) through fiscal year 2000.

Assuming appropriation of the amounts deposited into the HPF each year, and assuming appropriation of the authorized amounts for the Advisory Council on Historic Preservation, CBO estimates that implementing H.R. 834 would result in additional discretionary spending of \$590 million over the 2000-2004 period. (About \$330 million would be spent in subsequent years.) The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 834 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments would probably incur some costs to match the funds authorized by the bill, but these costs would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The \$150 million to be deposited into the HPF under H.R. 834 is the same amount that was deposited to the fund annually from 1980 through 1997, but is significantly greater than the \$30 million to \$50 million historically appropriated (from the HPF) for each year. It is also

higher than the 1999 appropriation of \$72 million. In recent years, annual appropriations for the advisory council have been about \$3 million. The estimated budgetary impact of H.R. 834 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	1999	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority/Authorization Level ^a	75	4	0	0	0	0
Estimated Outlays	53	36	20	5	0	0
Proposed Changes						
Authorization Level	0	150	154	154	154	154
Estimated Outlays	0	45	90	147	154	154
Spending Under H.R. 834						
Budget Authority/Authorization Level	75	154	154	154	154	154
Estimated Outlays	53	81	110	152	154	154
<p>a. The 1999 level includes \$72 million appropriated from the HTF and \$3 million appropriated for the Advisory Council on Historic Preservation. The 2000 level is the amount authorized under current law for appropriation to the council for that year.</p>						

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that the entire amounts deposited into the HTF or authorized for the advisory council under H.R. 834 will be appropriated for each fiscal year. Outlay estimates are based on historical spending patterns for council activities and HTF programs. We adjusted the observed outlay rates for the purposes of projecting future HTF outlays because the higher appropriations assumed in this estimate—relative to recent or historical appropriation levels—would likely cause some delays in finding matching shares for certain grants. The table does not include any potential spending from amounts deposited to the HTF in the past that have not yet been appropriated. Such funds—about \$2.1 billion—will remain available for appropriation under existing law even in the absence of legislation.

Other provisions of H.R. 834, which would amend the National Historic Preservation Act, would have no impact on the federal budget.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 834 contains no intergovernmental mandates as defined in UMRA. Under current law, historic preservation grants to states must be matched by nonfederal funds equal to at least 40 percent of total spending. Any spending by state and local governments to match the funds authorized by this bill would be voluntary.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

This bill contains no new private-sector mandates as defined in UMRA.

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